

**GMO FUNDS PLC**  
**an umbrella fund with segregated liability between sub-funds**  
**(the “Company”)**

**First Supplemental Prospectus dated 20 March 2020**

**This first supplemental prospectus (“Supplemental Prospectus”) forms part of the prospectus of the Company dated 19 February 2019 (the “Prospectus”). Unless otherwise provided for in this Supplemental Prospectus, all capitalised terms shall have the same meaning herein as in the Prospectus. This Supplemental Prospectus should be read in the context of, and together with, the Prospectus.**

**The directors of the Company (the “Directors”) accept responsibility for the information contained in the Prospectus and this Supplemental Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.**

**1. Introduction**

The purpose of this Supplemental Prospectus is to include disclosures in relation to the performance comparative indices applicable to each of the Funds.

**2. Performance Comparative Indices**

2.1 Page 24 of the Prospectus is amended by the insertion of the following as a new section before the section entitled “Descriptions and Risks of Fund Investments”:

The section entitled “Investment Objectives and Policies of the Funds” sets out whether each Fund seeks performance in excess of a Benchmark, or whether the Fund does not seek to allocate its investments in line with, or seek to control risk relative to, any securities market index or benchmark. Each of the Funds may, however, have indices to which their performance is compared (the “Comparative Indices”). Details of the Fund’s performance relative to any Comparative Indices is available in the Fund’s KIID and marketing materials, and will be presented for indicative and illustrative purposes only. The Benchmarks and Comparative Indices, as applicable, for each of the Funds is set out in the following table:

| <b>Fund</b>                                     | <b>Benchmark</b>            | <b>Comparative Indices</b>   |
|---|-----------------------------|--|
| GMO Global Equity Allocation Investment Fund    | None                        | MSCI ACWI Index  |
| GMO Quality Investment Fund                     | None                        | MSCI ACWI Index, S&P 500 Index, Russell 1000 Growth Index and Russell 1000 Value Index |
| GMO Emerging Markets Equity Fund                | MSCI Emerging Markets Index | S&P/IFCI Composite Index   |
| GMO Emerging Domestic Opportunities Equity Fund | None                        | MSCI Emerging Markets Index  |

| <b>Fund</b>                         | <b>Benchmark</b>             | <b>Comparative Indices</b>  |
|-------------------------------------|------------------------------|---|
| GMO Global Real Return (UCITS) Fund | OECD G7 Consumer Price Index | MSCI ACWI Index, the HFRX Global Hedge Index, the Bloomberg Barclays U.S. Aggregate and the S&P 500 Index |

Each of the Funds is actively-managed and, although a portion of a Fund’s assets may from time to time be components of and have similar weightings to one or more of the Comparative Indices, the Investment Manager may or may not invest a significant proportion of the Fund in assets that are included in the Comparative Indices. In addition, these indices employ different investment guidelines and criteria than the Fund. As a result, the holdings in the Fund may differ significantly from the assets that comprise the indices and the volatility of the indices presented may be materially different from that of the performance of the Fund. There is no guarantee that the Fund’s performance will match or exceed any particular index. Except where otherwise stated, (i.e. the Benchmark for GMO Emerging Markets Equity Fund and GMO Global Real Return (UCITS) Fund), the performance of the indices has not been selected to represent an appropriate benchmark to compare to the performance of the Fund, but rather is disclosed to allow for comparison of the Fund’s performance to that of well-known and widely recognised indices.

**3. Amendment to List of Regulated Markets**

Schedule I “The Regulated Markets” of the Prospectus is amended by the insertion of “Hanoi Stock Exchange” in section (iv)(b), after “Finnish Options Market” and before “Hong Kong Futures Exchange”.